



Request for City Council Committee Action from the Department of Community Planning and Economic Development - CPED

Date: February 15, 2011

To: Council Member Lisa Goodman, Community Development Cmte

Subject: Support to the "It's All About the Kids" program for 2011

Recommendation: It is recommended that the City Council authorizes CPED to enter into a contract with Lutheran Social Services (LSS) not to exceed \$125,000 for 2011 for the administration of the "It's All About the Kids" Program.

Previous Directives: On July 27, 2001, the City Council approved the appropriation of \$300,000 in Fund FNA for the program. On April 22, 2002, the Minneapolis Community Development Agency (MCDA) Board of Commissioners authorized the MCDA to enter into a grant agreement with the Youth Coordinating Board (YCB) to fund the activities of the Minneapolis Redesign over a two-year term for \$172,288. On November 14, 2002, the MCDA Board authorized a contract increase with LSS for \$88,730 and reduced the commitment to YCB for Minneapolis Redesign to \$142,162. On January 21, 2003, the MCDA Board authorized canceling the contract with YCB and increasing the funding for LSS to \$145,143. On February 13, 2004, the City Council approved amending the existing contract to increase the 2003 funding to LSS in the amount of \$37,196 and authorized CPED to enter into a contract with LSS for \$200,000 for funding in 2004. On April 1, 2005, the City Council authorized CPED to enter into a contract with LSS, the fiscal agent for the program, for \$200,000 for funding in 2005. On December 23, 2005, City Council approved the 2006 budget. On April 28, 2006, the City Council authorized CPED to enter into a contract with LSS for \$200,000 for funding in 2006. On February 23, 2007, the City Council authorized CPED to enter into a contract with LSS for \$200,000 for funding in 2007. In December 2007, the City Council approved the 2008 budget which included funding in the amount of \$200,000 for this program. On July 11, 2008, the City Council authorized CPED to enter into a contract with LSS for \$200,000 for funding for 2008. In December 2008, the City Council approved the 2009 budget which included funding in the amount of \$200,000 for this program. In December 2009, the City Council approved the 2010 budget which included funding in the amount of \$200,000 for this program. On March 12, 2010, the City Council approved funding in the amount of \$200,000 for this program. In December 2010, the City Council approved the 2011 budget which included funding in the amount of \$125,000 for this program.

Prepared by: Edie Oliveto-Oates, Senior Project Coordinator, phone 612-673-5229
Approved by: Charles T. Lutz, Deputy CPED Director
Thomas A. Streiz, Housing Director
Presenters in Committee: Edie Oliveto-Oates, Senior Project Coordinator

Financial Impact

 X No financial impact

City Goals: Livable Communities, Healthy Lives

- Our built and natural environment adds character to our city, enhances our health and enriches our lives
- High-quality, affordable housing for all ages and stages in every neighborhood.

Supporting Information

In 2001, through a memorandum of understanding, housing, educational and social services partners in the City of Minneapolis came together to address the complex and interrelated issues of housing instability and the effects on student achievement in low income target neighborhoods in the City of Minneapolis. The partners included Minneapolis Public Schools (MPS), the Minneapolis Public Housing Authority (MPHA), City of Minneapolis and Lutheran Social Service (LSS). The memorandum of understanding resulted in the formation of The It's All About Kids Collaborative which seeks to improve school achievement for students in Minneapolis Public Schools whose families are struggling with housing issues. The program receives funding from the Family Housing Fund, Minnesota Housing, the Department of Housing and Urban Development through the MPHA, Hennepin County, private foundations and individual donors. The collaborative was awarded a grant through the Children's Trust Fund to increase case management and add a Parent Support Advocate which has been extended through October 31, 2011. The Kids Collaborative was able to increase the educational support for school aged children through an Office of Justice grant. This allowed all children in the program to be monitored more closely as it relates to attendance and academics.

The City of Minneapolis contracts with LSS to market the program to landlords and encourage their participation in the Housing Choice Voucher program (Section 8). LSS provides case management and support services to households in the program for a minimum of one year, while they prepare to relocate and increase their stability. This preparation and support includes advocacy in the areas of credit counseling, budget assistance, tenant education classes, and assistance with past legal issues. LSS also provides an Educational Support Advocate, a Family Counselor (mental health professional) and a Parent Support Advocate. This more holistic approach has enabled the families to improve their household income, increase housing stability, and reduce program costs due to extraordinary damages to the units.

How does the program work?

The program is able to have multiple systems working in coordination on behalf of the children and their families. This involves all the core collaborative partners as well as financial and strategic supporters in the following ways:

- The City of Minneapolis provides critical funding and support for the program. This helps to expand housing opportunities for low income families outside traditionally concentrated neighborhoods.
- MPS' social workers identify children who are struggling in school and identified as long term homeless. Families must also currently be living in areas of high concentration of poverty and want to move to areas of low concentrated poverty which are in closer proximity to the school their child attends.
- LSS identifies private landlords who will participate in the program, including ensuring that their rental units meet HUD's Housing Quality Standards.
- LSS also supports families by providing case management, mental health services, educational support and links them with other community-based services as appropriate.
- MPHA provides Housing Choice Voucher to eligible families.

Evaluation

The partners contracted with the Improve Group to do an evaluation of the program. Below is a summary of the evaluation and progress on the program's defined outcomes. The evaluation examines the impact of the Kids Collaborative program on a cohort of families, to understand what changed for adults and children over the time of their involvement with the program. The cohort for this evaluation is defined as the families who moved into housing under the Kids Collaborative program between September 2007 and August 2008. This is the most recent cohort for whom MPS has standardized test data. Also, MPS uses a comparison group of district Homeless and Highly Mobile students, who are not receiving Kids Collaborative services. MPS analysis compares the school year prior to program participation to the school year after program participation to see if there were changes in the participant cohort or comparison group.

Kids participating in the program came from families reporting the following barriers to stable housing at entry into the Kids Collaborative program:

- 100% Long term Homeless prior to intake
- 65% Mental health problem (self-reported)
- 17% Substance abuse (self-reported)
- 44% At least one criminal charge
- 56% Unemployed
- 69% At least one unlawful detainer or eviction

The Kids Collaborative has succeeded in housing 1024 children within 334 families through June 2010. Most of the families are single-parent households (81%). A diverse community is served: 44% African American, 43% American Indian, 8% White, 3% mixed race and 2% Asian. The average household size is five people and the average number of children in each household is three. About 90% of the families are living below the poverty line.

About 94% of families in the program remain in the same housing for the first year. Those who eventually move (6%) have typically found other housing they preferred.

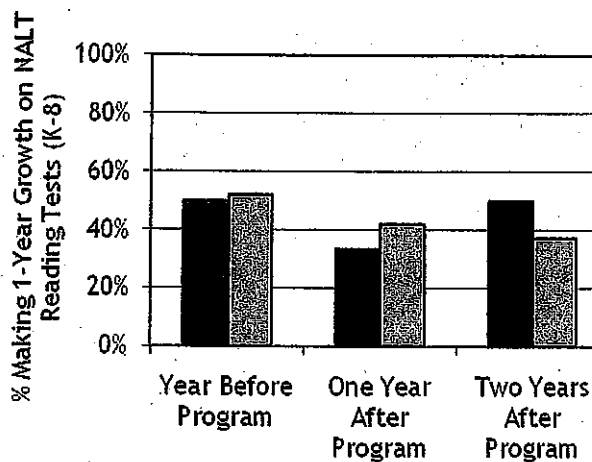
All landlords attend an owner briefing for the purpose of clarifying the roles and responsibilities of property owners, LSS/MPHA and tenants and to provide valuable information about leasing and rent subsidy payments. All rental property owners with properties located in neighborhoods in Minneapolis with no concentration of poverty have been recruited to work with this project. All 334 families participated in tenant education and help advance the City and MPHA's goal of de-concentrating poverty.

The Improve Group and MPS compared student data for the previous evaluation cohort (2006-2007 cohorts). The current evaluation captured the status of student achievement in the second year after program intervention.

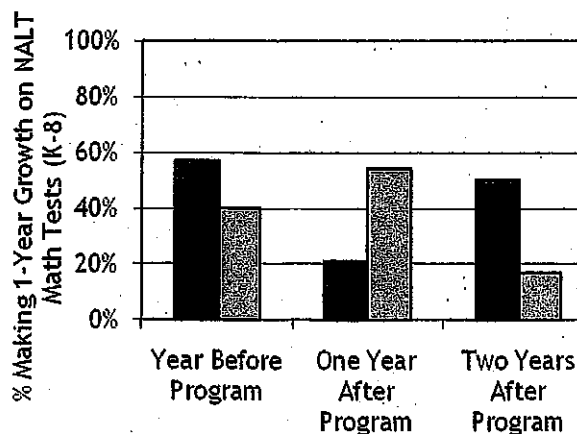
As seen in the graphs below, in both reading and math the percentage of the participant group making the expected one-year growth increased over the two post-intervention years while the percent of the comparison group who made the expected one-year growth declined over the two "post" years. The change was statistically significant in math.

NALT/CALT Test Scores with Two "Post" Years

(Participant Group September 2006 – August 2007 and MPS Comparison Group)



■ Participants (n=12) ▨ Comparison Group (n=71)



■ Participants (n=14) ▨ Comparison Group (n=65)

The project receives significant funding from the City of Minneapolis and the U.S. Office of Justice, Recovery Act. Other funders include the MN Department of Human Services, contributions from individuals and congregations, Greater Twin Cities United Way, Frey and Target Foundations, the U.S. Department of Housing and Urban Development Shelter Plus Care program, and Minnesota Housing Finance Agency. In addition, the collaborative partners contribute a tremendous amount of resources to this effort, including up to \$1.7 million in rental subsidies (MPHA), support and consultation for case management staff, fundraising, and evaluation support (LSS), school social workers to initially identify families, student data and evaluation (MPS) and ongoing collaborative support (City of Minneapolis CPED).

In the current economic condition, it is important to look at cost saving measures on spending, while also continuing to focus on services that help people move forward. To analyze the cost effectiveness of the Kids Collaborative, a program costs comparison of a similar Minneapolis-based program was performed. People Serving People, a Minneapolis non-profit serving the homeless report that the cost for a family of four (one adult and three children) per year at the shelter is \$41,905. The cost for the same family in the Kids Collaborative is roughly \$19,000 per year, including rental assistance, services, and support.

As part of the evaluation, the Improve Group compared the collaborative's goals against the achievements. Below, please find a summary:

Goal: The Kids Collaborative has a goal of helping 90% of participating families to remain in housing for a minimum of 12 months after they enter the program.

Achievement: According to MPHA, approximately 94% of participating families stayed in their housing for at least 12 months before their next move. As of December 2008, the majority of families had been in their current housing for an average of 18 months.

Goal: The program aims to increase student stability at school and that the annual average number of school moves should decrease after program participation.

Achievement: MPS data shows that while participants did not differ from the comparison group before program participation, participants had a statistically significant lower average number of moves after program participation than the comparison group.

Goal: Kids Collaborative seeks to impact student stability at school by increasing attendance rates and helping 70% of participants achieve 90% attendance or better.

Achievement: MPS' analysis showed while participants had similar attendance rates to the comparison group before program participation, participants had a statistically significant higher percentage of students with over 90% attendance rate after program participation. In fact, comparison group attendance rates decreased, while participants had a statistically significant increase.

Staff recommends the City Council authorizes CPED to enter into a contract with Lutheran Social Services (LSS) not to exceed \$125,000 for 2011 for the administration of the "It's All About the Kids" Program.